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UNITED NATIONS COMMON SYSTEM

Comments by the Co-ordinating Committee for Independent Staff
Unions and Associations of the United Nations System

Note by the Secretary-General

The Secretary-General transmits herewith for consideration by the Fifth Committee a document submitted by the Co-ordinating Committee for Independent Staff Unions and Associations of the United Nations System (CCISUA).

Annex

VIEWS OF THE CO-ORDINATING COMMITTEE FOR INDEPENDENT STAFF
UNIONS AND ASSOCIATIONS OF THE UNITED NATIONS SYSTEM

INTRODUCTION

1. On 3 May 1988, the Co-ordinating Committee for Independent Staff Unions and Associations of the United Nations System (CCISUA), in the name of over 20,000 staff members in all locations, decided jointly with the other federation representing United Nations common system staff members to suspend their participation in all activities of the International Civil Service Commission (ICSC). A letter was sent on 10 May 1988 to the Secretary-General of the United Nations and all executive heads of the specialized agencies participating in the common system informing them of that decision, explaining briefly the reasons for that position and requesting that "conditions of employment in the common system should be subject to genuine negotiations between the staff and the employers".
2. Accordingly, CCISUA has not participated to date in the following ICSC activities:
 - (a) The thirteenth session of the Advisory Committee on Post Adjustment Questions (ACPAQ);
 - (b) The twenty-eighth session of ICSC;
 - (c) The place-to-place cost-of-living survey at Geneva.
3. The position of CCISUA was the outcome of careful consideration and the only alternative in view of a protracted deterioration of conditions of work coupled with a growing sense of disappointment and frustration following the repeated failure of ICSC to respond to the concerns of staff representative bodies, i.e. CCISUA and the Federation of International Civil Servants' Associations (FICSA), at virtually every session of the Commission over the past several years.
4. From the ICSC report on its twenty-eighth session (ICSC/28/R.15), its report to the General Assembly ^{a/} and in the introductory statement of its Chairman before the Fifth Committee on 21 October 1988 (A/C.5/43/SR.13), it appears that the response of the Commission is to continue to ignore the profound malaise and deteriorating morale of the international civil service in general and of the United Nations in particular at all duty stations without exception, and not to address the deep roots of a situation affecting staff members in their daily lives, namely the need to maintain the smooth functioning of the common system, of which CCISUA is a part.
5. Member States, as employers of the international civil service, have in several General Assembly resolutions and individual statements recognized the need for radical reforms in the United Nations system, particularly in the budgetary,

administrative and personnel policies areas. In the view of CCISUA, the conditions of service of the international civil service cannot be isolated from other processes of reform. In particular, salaries and entitlements of staff are in fact integral parts of the entire financial, administrative and personnel structure and especially call for study now, 14 years after the creation of ICSC.

6. In the opinion of CCISUA, for the current reforms to achieve their full effect they need to cover both the functioning of the common system and the general conditions of service of the staff in order to redress a situation where the essential resource of the Organization, i.e., its human resources, is left to respond in isolation.

7. CCISUA, although understanding that reforms cannot be introduced precipitously, recommends that change should be made to the structure, concepts, methods and procedures for the determination of conditions of service of the international civil service in order to adapt them to the new challenges and realities facing the United Nations system and to co-ordinate them with rational management principles.

8. CCISUA has no other objective than the attainment of an effective, efficient and credible system of international organizations capable of fulfilling their mandates in the fields of peace, co-operation, economic and social development and human rights. This is only possible by a firm commitment from the international community and by encouraging the morale of the staff. CCISUA wishes to encourage the full use of the talents present in the international civil service both at headquarters duty stations and in the field for the service of the United Nations objectives and programmes.

I. ATTACKS ON THE INTERNATIONAL CIVIL SERVICE

9. The current crisis facing the United Nations, which inevitably affects the international civil service and the common system, has been preceded by many others in the United Nations and in most of the specialized agencies.

10. In many cases attacks against the system of international organizations and against multilateralism in general are seen as attacks against the international civil service itself. Both ultimately have the same effect: a decrease in the efficiency of multilateral approaches in solving global problems.

11. A brief historical review of the role of the international organizations in the world demonstrates a more-or-less constant theme: a major way to undermine international institutions is to attack the international civil servants who serve them, whether it be through overt attacks on their physical security and independence, or unjustified criticisms raised against their conditions of service.

12. CCISUA, which is in the fortunate position of being in daily contact with staff members throughout the world, is convinced that while some constructive criticism is welcome for any institution, it can also have a devastating effect on the morale of staff members striving to do their best. The recent attacks on the United Nations, sometimes quite virulent in nature, tend to exceed normal criticism of governmental institutions.

13. It is worth noting that the international civil service is merely the mirror image of the international environment in which staff members are working, and that the crises experienced by the international organizations and their staff are caused by world-wide political and financial pressures. CCISUA wishes to draw attention to the fact that as a consequence of the fragility of the international organizations, international civil servants do not even enjoy some of the basic rights of national civil servants: for example, the international civil service is faced with a lack of security of employment, the absence of re-employment systems, the absence of unemployment and social security schemes, the effects of long-term expatriation, etc.

II. SHORTCOMINGS OF THE PRESENT SYSTEM

14. The present common system is the result of an evolutionary process that commenced long before the establishment of the United Nations. In 1921, the Noblemaire report defined the administrative and budgetary systems of the international organizations' secretariats; in 1931, Mme. Suzanne Bastid determined the basic fundamental principles leading to the determination of the remuneration of international civil servants; and in 1954 the International Civil Service Advisory Board (ICSAB) defined a certain number of fundamental principles of the international civil service. CCISUA considers that the basic concepts of those studies are still valid today.

15. However, CCISUA holds the view that the development of the present common system has not been based on a clearly conceived evolutionary plan, but is rather a reaction to various crises and convulsions through modifications introduced at random. During the period from 1945 to the establishment of ICSC, there were no less than 11 studies and major revisions to conditions of employment, including remuneration and benefits. Stability and clarity thus became more and more difficult to achieve.

A. Structural/procedural shortcomings

Overlapping of functions

16. One of the main reasons for replacing ICSAB by ICSC was the need to simplify and rationalize the common system mechanisms following the experience gained during several reviews of the remuneration levels undertaken by ICSAB from 1962 to 1971, and to avoid the functional overlapping of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), the Advisory Committee on Co-ordination (ACC), the Consultative Committee on Administrative Questions (CCAQ) and ICSAB. In the early 1970s, the Ad Hoc Committee for the Review of the Remuneration System even envisaged that the proposed ICSC should replace both ICSAB and CCAQ.

17. The actual situation in the late 1980s is not much different; the system is even more complex and rigid and the de facto overlapping of functions continues to be a main feature. CCISUA suggests that a clearer delineation should be made of the hierarchy of management functions in the field of the determination of conditions of service and that a distinction should be made between:

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- (a) Preparation and study;
- (b) The decision-making process;
- (c) Monitoring the implementation of decisions.

18. CCISUA also suggests that a clear distinction should be made between the roles of:

- (a) Technical organs;
- (b) Interorganizational co-ordination;
- (c) Intergovernmental bodies.

Interorganizational/intersecretariat relations

19. The role of the General Assembly as the main legislative body for, inter alia, the determination of conditions of service of the common system is not clearly defined and is legally limited to the role mandated by the Charter of the United Nations to the General Assembly and the Economic and Social Council to address recommendations to the specialized agencies. Thus, decisions taken by the General Assembly concerning the common system can be interpreted as binding only on the United Nations Secretariat and its subsidiary bodies and organs. CCISUA views that situation as a source of discrepancies and frictions hampering the efficient functioning of the common system.

20. In fact, the only authorities mandating the implementation of decisions by the organizations of the common system are the agreements concluded between the participating international organizations. Those agreements are not uniform and the major point on which they differ is that some do not mention the possibility of developing a unified international civil service or the establishment of a single advisory body for the entire international civil service, in particular ICSC.

21. The co-ordination role of ACC is limited with respect to the unification of conditions of service.

22. CCISUA considers that these points deserve careful attention in order to avoid possible competition and conflict between the various decision-making organs, bodies and international organizations. There is a danger that divisions may lead to different "classes" of international civil servants, competition in recruitment, difficulties in the exchange of staff and discrepancies in their conditions of service.

B. Shortcoming of the consultation mechanism

23. The actual situation of the suspension of participation of the two federations of international civil servants in ICSC is clear proof of the breakdown of the consultation machinery and a loss of confidence in its objectivity.

24. Numerous interventions in the past by staff representatives should have been taken seriously. Had they been treated with the seriousness they deserved, the present situation would never have arisen. CCISUA considers that it is the duty of decision-makers and management not to limit themselves to resolving immediate problems, but to anticipate and respond properly to situations that may lead to breakdowns in the consultation process.

25. CCISUA wishes to draw attention to the fact that the basis for the legal contractual link between individual staff members and their employers is the Staff Rules and Regulations of the United Nations. Those Staff Rules and Regulations adopted by the General Assembly in its wisdom stipulate in article VIII, regulation 8.1 (a) that:

"The Secretary-General shall establish and maintain continuous contact and communication with the staff in order to ensure the effective participation of the staff in identifying, examining and resolving issues relating to staff welfare, including conditions of work ...".

Article III stipulates that the Secretary-General of the United Nations shall fix the salaries of staff members.

26. In the view of CCISUA, the ICSC statute does not comply with regulation 8.1 (a), approved by the General Assembly, the highest legislative body of the United Nations, which is reflected in the contractual link between staff members and their employers. The opportunity for consultations are in fact far less than the "effective participation" called for in the Staff Regulations.

27. Even the consultation process on which ICSC based its functioning and relations with the staff has been subject to a continuous, constant and cumulative erosion.

28. The absence of measures that allow the full and effective participation of the staff in determining conditions of service is without doubt the most serious shortcoming in the common system. The full participation of staff representatives with the representatives of their employers in the discussions of all organs and advisory bodies dealing with conditions of service from the earliest stages through the decision-making process can only contribute greatly to the smooth functioning of the system.

III. FUNCTIONING OF ICSC

29. During its twenty-eighth session, ICSC introduced some modifications to its working methods, which it reported to the General Assembly in its annual report. a/

30. CCISUA undertook a careful appraisal of those modifications and came to the conclusion that they fall far short of the required reform in that they:

(a) Are not commensurate with the reforms actually introduced in the United Nations in the budgetary, financial, management and personnel policy fields;

(b) Do not address the large number of shortcomings set out in section II of the present document;

(c) Do not provide the means to allow the full and effective participation of staff representatives in deliberations vital to the staff;

(d) Do not address the lack of transparency and the unnecessary complexity in the working methods of ICSC;

(e) Do not suggest any modification in the composition of ICSC or in the selection process of the Commission members;

(f) Fail to address the need to re-establish a climate of confidence concerning conditions of employment.

31. Thus, CCISUA sees no value in commenting on minor modifications in the ICSC working methods, which neither address the root causes of the present shortcomings in the system nor satisfy the request of the staff representatives to negotiate with their employers.

IV. COMPREHENSIVE REVIEW OF THE CONDITIONS OF SERVICE OF THE PROFESSIONAL AND HIGHER CATEGORIES

32. At the outset, CCISUA wishes to underline its appreciation to the Fifth Committee and the General Assembly for their decision to request a long-overdue comprehensive review of the conditions of service of the Professional and higher categories.

33. Apart from the basic goals to be attained through that comprehensive review - namely, the possibility to retain and attract highly qualified staff through a competitive, total-compensation package - any new system must be capable of achieving a balance in geographical distribution without the introduction of illegal and inequitable supplementary payments to the benefit of some staff members. CCISUA wishes to reiterate some of the principles that need to be taken fully into consideration in any compensation and emolument concept:

(a) The long-term expatriation factor and its negative consequent effects on the lives of staff members and their families, including the difficulties of financial, employment and cultural reintegration;

(b) The request for high mobility between different environments, all of them different from that of staff member and his family, which is different from most diplomatic services, where the individual can be reintegrated after assignment outside his or her home country;

(c) The recognition of merit as a means of enhancing efficiency and productivity;

(d) Career development as a means of motivating staff;

(e) Compensation for service at hardship duty stations in the form of financial and career-development compensation;

(f) Comparable levels of compensation for comparable work;

(g) Differentials in living costs;

(h) Built-in protection against currency fluctuations.

34. CCISUA wishes to draw attention to some results of the current inadequate system of actual levels of remuneration:

(a) Supplementary payments that some staff members receive from certain countries;

(b) Rental subsidies.

35. CCISUA holds the view that in the comprehensive review, a basket of other international organizations, in particular the Co-ordinated Organizations and the European Communities, and corporations in the private sector at major headquarters duty stations should serve as a guide for determining the level of salaries on the basis of a total compensation package, including a long-term expatriation factor.

36. With regard to post adjustment, CCISUA:

(a) Suggests the elimination of negative post adjustment and the establishment of a "floor" based on an average of post adjustment levels at the seven major duty stations. This suggestion would help mobility and address the hardship factor at some duty stations;

(b) Supports the suggestion to study the possibility of separating the housing component from post adjustment, and the suggestion to simplify the existing methodology concerning place-to-place and time-to-time comparisons of differences in the cost of living.

V. CONDITIONS OF SERVICE IN THE FIELD

37. Some improvements have been introduced recently in favour of staff at a number of field and hardship duty stations. Although CCISUA sees merit in the principle of equalization of purchasing power for comparable work, it is imperative to introduce financial and career development incentives that will facilitate service at hardship duty stations and encourage mobility.

38. The measures introduced this year concerning assignment allowances and the mobility element have not achieved the desired results.

39. It is worth underlining that some Member States and private sector corporations provide financial incentives for their staff posted at hardship duty stations calculated as a differential 10 to 25 per cent above headquarters pay, to which are added other substantial benefits.

VI. SECURITY AND INDEPENDENCE OF THE INTERNATIONAL CIVIL SERVICE

40. At a time when the organizations of the United Nations system are increasingly being called upon to settle conflicts, operate peace-keeping missions and assist in the reconstruction of countries destroyed by warfare or civil disorder, their work must not be undermined by a lack of respect for the security and independence of their staff.

41. Unfortunately, violations of the basic legal and human rights of United Nations staff members and threats against their security and independence continue; more than 100 cases remained unsolved.

42. The security of staff members' families is a subject that also needs to be addressed because of its direct link with staff welfare, morale and productivity. The organizations of the common system also need a more co-ordinated policy with respect to staff members who have been subjected to illegal detention and their reintegration back into the work-force.

VII. PENSIONS

43. CCISUA wishes to make some general observations on one of the most important aspects of conditions of service of the staff: pensions. In 1982, the United Nations Joint Staff Pension Board recommended a number of measures aimed at reducing the actuarial deficit of the Fund. These recommendations amounted to savings that were almost wholly attributable to reductions in benefits for future pensioners. Increases in the rate of contributions were postponed. It now appears that the deficit will once again have to be addressed since the level of contributions still appears to be inadequate. A number of studies are being undertaken in order to determine the appropriate course of action. CCISUA is firmly opposed to any further dilution of benefits as a means of addressing the problem of the deficit, which should correctly be seen as a funding problem. Further reductions disguised as revisions to the scale of pensionable remuneration for all categories of staff is not an acceptable alternative. A long-term period of stability for the Fund and for the future pensioners of the system is called for in order to build confidence in the future of the international civil service.

NOTES

a/ Official Records of the General Assembly, Forty-third session, Supplement No. 30 (A/43/30).